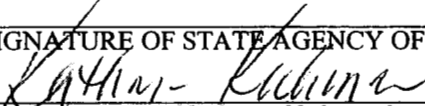


<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER:  <b>03-35</b>	2. STATE  <b>New York</b>
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: <b>TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)</b>	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <b>January 1, 2003</b>	
5. TYPE OF PLAN MATERIAL (Check One):  <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.325		7. FEDERAL BUDGET IMPACT: a. FFY <b>2002-2003</b> \$ <b>1.39</b> million b. FFY <b>2003-2004</b> \$ <b>1.85</b> million	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>Attachment 4.19-B, Page 3h12</b>		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>Attachment 4.19-B, Page 3h12</b>	
10. SUBJECT OF AMENDMENT: <b>OMR Day Treatment</b>			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input checked="" type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: <b>New York State Department of Health, Corning Tower, Empire State Plaza, Albany, New York 12237</b>	
13. TYPED NAME: <b>Kathryn Kuhmerker</b>			
14. TITLE: <b>Deputy Commissioner Department of Health</b>			
15. DATE SUBMITTED: <b>March 31, 2003</b>			
<div style="background-color: black; color: white; padding: 5px;">             FOR REGIONAL OFFICE USE ONLY              17. DATE RECEIVED:              18. EFFECTIVE DATE:              19. TYPED NAME:              20. COMMENTS:           </div>			

# OFFICIAL

New York State

Attachment 4.19-B  
Day Treatment

- (v) Effective July 1, 2000, for state operated facilities, a salary enhancement add-on will be included in the final adjusted fee. This add-on will be the full annual amount of \$750 per full time equivalent, plus salary related fringe benefits, for the direct care and support full time equivalent included in the final fee.
- (vi) Facilities initially certified as day treatment facilities on or After April 1, 2001 shall be deemed to have met the requirements for an approved salary enhancement add-on described in subparagraphs (iv) and (v) of this paragraph, and a corresponding factor shall be included in the final adjusted fee.
- (vii) Effective January 1, 2003, non-state operated facilities may be eligible for a cost of living adjustment (COLA) add-on of three percent to be included in their final adjusted fee. This add-on is a three percent increase to the personal service portion of allowed reimbursement, for expenditures related to recruitment and retention of staff for the period of April 1, 2002 through March 31, 2003. On or after January 1, 2003, eligible facilities will receive an amount that they would have received if the COLA add-on were added to the final adjusted fee on December 1, 2002. The provider is required to submit to OMRDD a Letter of Attestation, signed by the Executive Director and President or equivalent of the governing body, which details how the COLA is expended.
- (viii) Effective January 1, 2003, for state operated facilities, a cost of living adjustment (COLA) add-on of three percent is included in the final adjusted fee. This add-on is a three percent increase to the personal service portion of allowed reimbursement, for expenditures related to recruitment and retention of staff for the period of April 1, 2002 through March 31, 2003. On or after January 1, 2003 facilities will receive an amount that they would have received if the COLA add-on were added to the final adjusted fee on December 1, 2002.
- (ix) Facilities certified on or after April 1, 2003 shall be deemed to have met the requirements for an approved COLA add-on described in subparagraphs (vii) and (viii) of this paragraph, and a corresponding factor shall be included in the final adjusted fee.

TN 03-35 Approval Date DEC 22 2003  
Supersedes TN 00-35 Effective Date JAN 01 2003

## Derivation of Fiscal Impact

Application of the 3% cost of living adjustment (COLA) to the Day Treatment reimbursement methodology is projected to have a federal impact of \$1.85 million. (FFY 2003-2004)